

## Message Text

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11

ACTION EB-11

INFO OCT-01 EUR-25 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 FEA-02

OMB-01 SWF-02 XMB-07 DRC-01 /201 W

----- 010160

R 230925Z MAY 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC 4944

AMCONSUL FLORENCE

AMCONSUL GENOA

AMCONSUL MILAN

AMCONSUL NAPLES

AMCONSUL PALERMO

AMCONSUL TRIESTE

AMCONSUL TURIN

INFO USMISSION GENEVA

USMISSION EC BRUSSELS

USMISSION NATO

USMISSION OECD PARIS

LIMITED OFFICIAL USE ROME 7070

E.O. 11652: N/A

TAGS: EFIN, ETRD, IT

SUBJECT: ITALIAN IMPORT MEASURES

REF: STATE 105145

MILAN PASS TRADE CENTER

1. FOLLOWING DISCUSSION WITH REPS OF AMCHAMBER, COMMCOUNSELOR  
ON MAY 22 CALLED ON DR. FRANCO BERRETTI, DIRECTOR GENERAL, FOR  
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IMPORTS AND EXPORTS IN MINISTRY OF FOREIGN TRADE TO DISCUSS

PROBLEM OF GOODS IN TRANSIT AFFECTED BY ITALIAN IMPORT MEASURES.

2. COMMCOUNSELOR EXPRESSED PREOCCUPATION BECAUSE GOODS IN TRANSIT OR IN ITALIAN CUSTOMS WAREHOUSES ON MAY 7 AND SUBJECT TO PRIOR IMPORT DEPOSIT OF 50 PERCENT OF CIF VALUE COULD NOT BE READILY CLEARED BECAUSE SOME ITALIAN IMPORTERS, CAUGHT BY SURPRISE BY MOVE, COULD NOT MARSHALL NECESSARY FINANCIAL RESOURCES THEMSELVES NOR BORROW, GIVEN TIGHT CREDIT, TO MEET DEPOSIT REQUIREMENTS. WE ALSO POINTED OUT THAT MUCH OF THIS MERCHANDISE COMPRISED CAPITAL GOODS OR RAW MATERIALS NOT PRODUCED IN ITALY BUT OF VITAL IMPORTANCE TO ITALIAN ECONOMY. ALSO MENTIONED OUR UNDERSTANDING THAT GOI HAD IN THE PAST EXEMPTED GOODS IN TRANSIT. COMMCOUNSELOR CITED US SURCHARGE MEASURE OF AUGUST 1971 WHICH EXEMPTED ALL GOODS SHIPPED PRIOR TO AUGUST 16, EFFECTIVE DATE OF OUR MEASURE AND ASKED FOR SIMILAR TREATMENT BASED ON RECIPROCITY.

3. BERETTI ASSERTED THAT IMPORT DEPOSIT MEASURE WAS HASTILY PUT TOGETHER BY TREASUREY AND BANK OF ITALY (WITHIN TWELVE HOURS) WITH LITTLE OR NO CONSULTATIONS WITH MINFORTRADE. PRINCIPAL INITIAL GOAL - BESIDES MONETARY RESTRAINT - WAS TO CHOKE OFF ALL IMPORTS FOR ONE MONTH IN ORDER TO GIVE SOME RELIEF TO WHAT HE DESCRIBED AS CATASTROPHIC BALANCE OF PAYMENTS SITUATION. HOWEVER, DECREE WAS FAR TOO COMPREHENSIVE AND CANNOT REMAIN AS IT STANDS WITHOUT SERIOUS DELETERIOUS EFFECTS ON ITALIAN PRODUCTION. AS A RESULT, MINISTRY IS WORKING ACTIVELY TO PREPARE CASE TO BANK OF ITALY AND TREASURY FOR ELIMINATION OF IMPORTED RAW MATERIALS, SEMI FINISHED PRODUCTS, AND ESSENTIAL CAPITAL GOODS FROM RESTRICTED LIST.

4. WITH REGARD TO GOODS IN TRANSIT BERETTI ACKNOWLEDGED THAT THIS WAS A PROBLEM OF PARTICULAR CONCERN FOR SUPPLIERS FROM DISTANT NATIONS, LIKE THE UNITED STATES AND JAPAN. HE SAID THAT WITHIN A WEEK THE MINISTRY INTENDED TO MAKE A STRONG PRESENTATION TO OTHER MINISTRIES AND BANK OF ITALY TO EXEMPT TRANSIT MERCHANDISE FROM REGULATION. HE ADDED THAT IF MATTER WERE RAISED BY EMBASSY THROUGH DIPLOMATIC CHANNELS WITH FOREIGN OFFICE HIS MINISTRY'S POSITION WOULD BE STRENGTHENED.

5. EMBASSY IS PREPARING NOTE DRAFTED ALONG LINES PARA 1 WHICH WILL BE SUBMITTED TO FONOFFICE WITHIN A DAY OR SO. VOLPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, TRADE LAW, IMPORT CONTROLS, EXPORTERS, SURCHARGE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Enclosure:** n/a  
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**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 105145  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <04 APR 2002 by cunninfx>; APPROVED <12 JUN 2002 by golinofr>  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ITALIAN IMPORT MEASURES  
**TAGS:** EFIN, ETRD, IT, US  
**To:** STATE  
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